#### 1. Instructions for myself for making envelopes

The pieces of paper that are inserted into the envelope contain both prospects on the same piece, plus the designation which TO question is tested, to make the implementation at the end of the experiment easier. The pieces are folded once, with the text inside, to make it even less legible. Envelopes are really closed, then signatures on them, then tape to reinforce.

The envelopes are packed together in packs of 10 each, kept together with paper clips, and with a yellow pad writing which 10 numbered were in the 10. Students are asked to check (or randomly choose some to check) the packs and check that all numbered envelopes were there exactly as claimed on the yellow pad.

Next some motivations are given for why the stimuli are as they are.

#### 2. Motivations for stimuli as they are

TO 0: Learning stimuli: xi+1½1 ~ xi½8 with x0 = 10.

TO1: 1st quadruple: xi+1⅔0 ~ xi⅔9 with x0 = 18.

TO2: 2nd quadruple: xi+1½3 ~ xi½16 with x0 = 25.

TO3: 3rd quadruple: xi+1⅓100 ~ xi⅓120 with x0 = 210.

To get a high overlap probability (that a question occurring in the experiment speaks to the envelope), we added many envelopes of the first questions of quadruples (because here 3 of the 4 values can be predicted). Expected value can be handled by choosing how many subjects play for real. Given EV of 53.27 for who play for real, we selected 1:10 subjects. (A first proposal for composition gave 1:9 but we preferred to fix to go at 1:10.) In general, the lower the EV for those who play for real, the bigger part of it comes from the 3000 outcome, which has the higher probability then, and that outcome is not only unpleasant for the one to pay, but can also give legal and formal complications. Therefore, better let it be very good due to intermediate outcomes (in the 100s) for those who play for real.

9 May 2013: To have high chance that choices made in experiment speak to choices in envelopes, can let choices in envelope be trivial in sense of one prospect being much better than the other. Don’t think I realized this before, and neither did we when composing the envelopes. At any rate, drawback is that then the choices made by the subjects do not matter much, and mistakes on their part will most likely not be punished. But subjects will never know.

For TO1, predictions were derived for EV maximization, rounding the risky outcome which is no integer, up or down in turns (this also avoids indifferences). This led to 4 types of envelopes, TO1.1, TO1.2, TO1.3, TO1.4.

For TO2, predictions were derived for PT in T&K92. This led to 4 types of envelopes, TO2.1, TO2.2, TO2.3, TO2.4.

For TO3, predictions were derived for PT in T&K92. This led to 4 types of envelopes, TO3.1, TO3.2, TO3.3, TO3.4.

We took numbers of envelopes as follows:

TO1.1: 33; TO1.2: 3; TO1.3: 3; TO1.4: 3;

TO2.1: 33; TO2.2: 3; TO2.3: 3; TO2.4: 3;

TO3.1: 9; TO3.2: 3; TO3.3: 3; TO3.4: 1.